

Permitting & Assistance Branch Staff Report
New Full Solid Waste Facilities Permit for the
Tulare Anaerobic Co-Digestion Facility
SWIS No. 54-AA-0050
May 29, 2013

Background Information, Analysis, and Findings:

This report was developed in response to Tulare County Department of Health Services, Division of Environmental Health Local Enforcement Agency's (LEA) request for the Department of Resources Recycling and Recovery (Department) concurrence on the issuance of a proposed new Solid Waste Facilities Permit (SWFP) for the Tulare Anaerobic Co-Digestion Facility, SWIS No. 54-AA-0050, located at 2450 Paige Avenue, Tulare, California. The facility is owned by the City of Tulare, and operated by Colony Energy Partners – Tulare, LLC. A copy of the proposed permit is attached. This report contains Permitting & Assistance Branch staff's analysis, findings, and recommendations.

The proposed permit was initially received on March 28, 2013. A new proposed permit was received on April 17, 2013. Action must be taken on this permit no later than June 16, 2013. If no action is taken by June 16, 2013, the Department will be deemed to have concurred with the issuance of the proposed new SWFP.

Proposed Permit:

The following are the key design parameters of the proposed project:

| | <u>Proposed Permit</u> |
|--|--|
| Operator | Colony Energy Partners, LLC |
| Owner | City of Tulare |
| Facility Type | Large Volume Transfer/Processing Facility (Anaerobic Digester) |
| Operational Status | Planned |
| Proposed Permitted Hours/Days of Operation | 24 hours/day, 7 days/week |
| Proposed Permitted Maximum Tonnage | 500 tons per day (tpd) |
| Proposed Permitted Traffic Volume | 74 vehicles/day |
| Proposed Permitted Area | 13 acres |
| Design Capacity | 500 tpd |
| Proposed Waste Types | Organic feedstocks to include pre-consumer food waste, post-consumer food waste, food processing waste, compostable material, dairy manure, liquid waste, fats, oils, and grease (FOG), and poultry mortalities. |

Key Issues:

The proposed new permit will allow for the following:

1. Operation of an anaerobic co-digester utilizing a variety of organic feedstocks including, but not limited to, food waste, compostable materials, liquid wastes, and dairy manure.
2. Production of bio-gas that may be used for utility pipeline injection and converted on-site to electrical and heat energy from a bio-gas fueled engine-generator system.
3. The facility is to operate as a Large Volume Transfer/Processing Facility.

Background:

The proposed SWFP would allow a new anaerobic co-digester operation in the unincorporated area of Tulare, California near dairy farms and the City of Tulare's waste water treatment plant. The proposed project would utilize a variety of organic feedstocks: pre-consumer and post-consumer food waste, compostable materials, dairy manure, food processing waste, liquids wastes, and FOG. This process would allow for the production of biogas that may be used for utility pipeline injection and/or converted on-site to electrical and heat-energy in bio-gas fueled engine-generators to provide on-site energy. The property is owned by the City of Tulare and leased to the operator, Colony Energy Partners, an energy company based in Newport Beach, California. Approximately 500 tons of feedstock will be delivered daily to the site by truck from various sources. Digester supernatant will be piped to the City of Tulare's wastewater facility for disposal. Dewatered digestate, approximately 50 tons per day, will be trucked to permitted composting facilities.

Findings:

Staff recommends concurrence in the issuance of the proposed new SWFP. All of the required submittals and findings required by Title 27 of the California Code of Regulations (27 CCR), Section 21685, have been provided and made. Staff has determined that the California Environmental Quality Act (CEQA) requirements have been met to support concurrence. The findings that are required to be made by the Department when reaching a determination are summarized in the following table. The documents on which staff's findings are based have been provided to the Branch Chief with this Staff Report and are permanently maintained by the Waste Permitting, Compliance, and Mitigation Division.

| 27 CCR Sections | Findings | |
|---|---|---|
| 21685(b)(1) LEA Certified Complete and Correct Report of Facility Information | The LEA provided the required certification in their permit submittal letter dated March 26, 2013. | <input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Unacceptable |
| 21685(b)(2) LEA Five Year Permit Review | A permit review is not required for a new Solid Waste Facilities Permit. | <input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Unacceptable |
| 21685(b)(3) Solid Waste Facility Permit | Staff received a proposed Solid Waste Facilities Permit on April 17, 2013. | <input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Unacceptable |
| 21685 (b)(4)(A) Consistency with Public Resources Code 50001 | The LEA in their permit submittal package received on March 28, 2013, provided a finding that the facility is consistent with PRC 50001. Waste Evaluation & Enforcement Branch (WEEB) staff in the Jurisdiction | <input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Unacceptable |

| 27 CCR Sections | Findings | |
|--|---|---|
| | Product & Compliance Unit found the facility is identified in the Non-Disposal Facility Element and with the Countywide Integrated Waste Management Plan, as described in the memorandum dated May 13, 2013. | |
| 21685(b)(8) Operations Consistent with State Minimum Standards | Permitting & Assistance Branch staff determined that the design and operations described in the submitted Transfer Processing Report, dated December 11, 2012, will allow the proposed facility to comply with State Minimum Standards. | <input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Unacceptable |
| 21685(b)(9) LEA CEQA Finding | The LEA provided a finding in their permit submittal package received on March 28, 2013, that the proposed permit is consistent with and supported by CEQA documentation. See CEQA information below for details. | <input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Unacceptable |
| 21650(g)(5) Public Notice and/or Meeting, Comments | A Public Informational Meeting was held by the LEA on March 20, 2013. No written comments were received by the LEA or Department staff. Oral comments were addressed by the operator, consultant and LEA staff. See details below. | <input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Unacceptable |
| CEQA Determination to Support Responsible Agency's Findings | The Department is a Responsible Agency under CEQA with respect to this project. Permitting and Assistance Branch staff has determined that the CEQA record can be used to support the Branch Chief's action on the proposed new SWFP. See Environmental Analysis below for details. | <input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Unacceptable |

Compliance History:

Permitting and Assistance Branch have determined that the design and operations described in the submitted Transfer Processing Report will allow the proposed facility to comply with State Minimum Standards.

Environmental Analysis:

Under CEQA, the Department must consider, and avoid or substantially lessen where possible, any potentially significant environmental impacts of the proposed new SWFP before the Department concurs in it. In this case, the Department is a Responsible Agency under CEQA and must utilize the environmental document prepared by the City of Tulare, Department of Planning and Building, acting as Lead Agency, absent changes in the project or the circumstances under which it will be carried out that justify the preparation of additional environmental documents and absent significant new information about the project, its impacts and the mitigation measures imposed on it.

The operations that will be authorized by the issuance of the proposed permit include: an anaerobic co-digester with feedstocks including dairy manure, food processing waste, and food waste; the digester to produce electricity for the waste water treatment facility and access to the utility service grid; approximately 500 tons of feedstock to be delivered by truck; liquid digestate

to be piped to the waste water treatment facility; and dewatered digestate to be taken to a compost facility.

A Mitigated Negative Declaration (MND), State Clearinghouse No. 2012051071, was circulated for a 30 day comment period from June 1, 2012 to June 31, 2012. The project analysis concluded that any physical environmental impacts caused by the project could be mitigated to less than significant levels with the implementation of the mitigation measures included in the Mitigation, Monitoring and Reporting Program. The MND, together with the Mitigation Monitoring Program, was approved by the Lead Agency on August 12, 2012. A Notice of Determination was filed with the State Clearinghouse on August 22, 2012.

Staff recommends that the Department, acting as a Responsible Agency under CEQA, utilize the MND as prepared by the Lead Agency in that there are no grounds under CEQA for the Department to prepare a subsequent or supplemental environmental document or assume the role of Lead Agency for its consideration of the proposed new SWFP. Department staff has reviewed and considered the CEQA Findings adopted by the Lead Agency. Department staff further recommends the MND, together with the CEQA finding, is adequate for the Branch Chief's environmental evaluation of the proposed project for those project activities which are within the Department's expertise and/or powers, or which are required to be carried out or approved by the Department.

The administrative record for the decision to be made by the Department includes the administrative record before the LEA, the proposed new SWFP and all of its components and supporting documentation, this staff report, the MND adopted by the Lead Agency, and other documents and materials utilized by the Department in reaching its decision on concurrence in, or objection to, the proposed new SWFP. The custodian of the Department's administrative record is Dona Sturgess, Legal Office, Department of Resources Recycling and Recovery, P.O. Box 4025, Sacramento, CA 95812-4025.

Public Comments:

The project document availability and associated meeting were noticed consistent with the SWFP requirements. The LEA held a public informational meeting on March 20, 2013 at the City of Tulare Council Chambers located at 411 East Kern Avenue, Tulare, California. Five members of the public were in attendance and provided comments and questions regarding digestate storage, odor, employment, traffic, tonnage records, and the road condition on Paige Avenue (whether or not it will be fixed prior to construction of the proposed project). The Operator, Project Consultant, and LEA responded to all concerns and worked to mitigate these concerns through design measures including the addition of a SWFP condition addressing odor complaints (see Condition "m" of the proposed SWFP). No written comments were received by the LEA or Department staff.

Department staff provided an opportunity for public comment during the CalRecycle Monthly Public Meetings on April 16, 2013 and May 21, 2013.